# GOVERNMENT OF INDIA
# INFORMATION AND BROADCASTING
# LOK SABHA

UNSTARRED QUESTION NO:5180
ANSWERED ON:20.04.2001
GUIDELINES FOR D.T.H.
SULTAN SALAHUDDIN OWAISI

**Will the Minister of INFORMATION AND BROADCASTING be pleased to state:**

(a) whether the Government have issued guidelines for DTH broadcasting on 15 March, 2001;

(b) if so, the details thereof;

(c) whether as per the guidelines, no broadcasting or cable network company should be eligible to own more than 20 percent of the equity;

(d) if so, the percentage of the equity distributed for FDI/NRI/OBC/FIT;

(e) the fee prescribed for entering into DTH broadcasting;

(f) whether her Ministry has finalized the technical details relating to open architecture set top box for this purpose; and
(g) if so, the details thereof?

## Answer

THE MINISTER OF INFORMATION AND BROADCASTING (SMT. SUSHMA SWARAJ )

(a) to (g): A Statement is annexed.

Annexure
STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (g) OF LOK SABHA UNSTARRED QUESTION NO. 5180 FC ANSWER ON 20.4.2001.

(a) to (g) : Ministry of Information & Broadcasting haslaid down detailed guidelines for DTH on 15.3.2001.The salient features of the guidelines are as follows:

i) Eligibility Criteria:

? Applicant Company to be an Indian Company registered under Indian Companies Act, 1956.

? Total foreign equity holding including FDI/NRI/OCB/FII in the applicant company not to exceed 49%.

? FDI component of the foreign equity not to exceed 20%.

? The quantum represented by the portion of the paid up equity share capital to the total issued equity capital of the Indian promoter company held or controlled by the foreign investors through FDI/NRI/OCB investment shall form part of the FDI limit of 20%.

? The applicant company must have Indian ManagementControl with majority representatives on the board as well as the CEO of the company being a resident Indian.

? Broadcasting companies and/or cable network companies shall not be eligible to own more than 20% of the total equity of Applicant Company at any time during the licence period. Similarly, the applicant company not to have more than 20% equity share in a broadcasting and/or cable network company.

ii) Number of licensees:

? There will be no restrictions on the total number of DTH licenses and these will be issued to any person who fulfils thenecessary terms and conditions and subject to the security and technical clearances by the appropriate authorities of the Govt.

iii) Period of licence.

? Licence will be valid for a period of 10 years and is not transferable without prior approval of licensor.

iv) Basic conditions/obligations:

The licence will be subject to terms and conditions contained in the agreement which inter-alia, provides that

? licensee shall adhere to programme and advertisement code,
? set up earth stations in India, give non- discriminatory access to various contents providers,

? carry channels of Prasar Bharati on most favourable terms,

? maintain recordings of programmes and advertisements for a period of 90 days.

v) Protection of Consumer Interest:

- The licensee shall use the open Architecture (non- proprietary) Set Top Box, which will ensure technical compatibility and inter-operability among different DTH service providers, and shall have suchspecifications as laid down by the Government from time to time.

? The Conditional Access System (CAS) to be used will be compatible with Open architecture Set Top Box.

? The licensee shall ensure subscribers` interest through the subscriber management system, which is efficient, responsive and has accurate billing and collection system.

? The licensee shall adhere to regulation, which may be laid down in the interest of consumer such as pricing of bouquet(s) or tier(s) of channel etc.

vi) National Security Concerns

? Immediate termination of licence may be done if facility or service is Access to all facilities to licensors or its authorized representative to be provided by licensee.

? Right of Government to take over the entire service in the interest of national security.

- Requirement that all foreign personnel deployed shall obtain security clearance.

vii) Procedure for application and grant of licences:

? Application to be submitted to the Secretary, Ministry of I&B, in triplicate, in the prescribed proforma.

? On the basis of information furnished in the application form, if the applicant is found eligible for setting up of DTH platformin India, the application will be subjected to security clearance by the Ministry of Home Affairs and for clearance of satellite use by the Department of Space.

? After these clearances the applicant would be required to make non-refundable entry fee of Rs. 10 crore to Ministry of I&B and obtain from Wireless Planning and Coordination (WPC) Wing of Ministry of Communications, SACFA clearance.
? After this clearance is obtained, the applicant would be required to furnish a bank guarantee for Rs. 40 crores and sign a licensing agreement with the Ministry of I&B as per prescribed proforma.
? Within one month from the date of the signing the licensing agreement with the Ministry of I&B, the licensee shall apply toWPC for seeking Wireless Operational Licence for establishment, maintenance and operation of DTH platform.
? The licensee shall commission DTH within one year of SACFA clearance.
? The licensee shall pay an annual fee equivalent to 10% of its gross revenue within one month of the end of every financial year to the government in addition to licence fee and royalty for the spectrum used.
? For any additional value − added service, separate licence to be obtained from competent authority.